

AMENDMENT TO RULES COMMITTEE PRINT 117-

54

OFFERED BY MR. GREEN OF TEXAS

Page 1262, after line 23, insert the following:

1 **SEC. 5403. COMMUNITY DEVELOPMENT BLOCK GRANT DIS-**

2 **ASTER RECOVERY PROGRAM.**

3 (a) IN GENERAL.—Title I of the Housing and Com-
4 munity Development Act of 1974 is amended—

5 (1) in section 101(c) (42 U.S.C. 5301(c))—

6 (A) in paragraph (8), by striking “and” at
7 the end;

8 (B) in paragraph (9), by striking the pe-
9 riod at the end and inserting “; and”; and

10 (C) by inserting after paragraph (9) and
11 before the undesignated matter at the end the
12 following:

13 “(10) in the case of grants awarded under sec-
14 tion 123, the recovery from disasters and efforts to
15 mitigate the effects of future disasters.”;

16 (2) in section 102(a) (42 U.S.C. 5302(a))—

17 (A) in paragraph (20)(A), by inserting be-
18 fore the last sentence the following: “The term
19 ‘persons of middle income’ means families and

1 individuals whose incomes exceed 80 percent,
2 but do not exceed 120 percent, of the median
3 income of the area involved, as determined by
4 the Secretary with adjustments for smaller and
5 larger families.” and

6 (B) by adding at the end the following new
7 paragraph:

8 “(25) The term ‘major disaster’ has the mean-
9 ing given such term in section 102 of the Robert T.
10 Stafford Disaster Relief and Emergency Assistance
11 Act (42 U.S.C. 5122).”;

12 (3) in section 106(c)(4) (42 U.S.C.
13 5306(c)(4))—

14 (A) in subparagraph (A)—

15 (i) by striking “declared by the Presi-
16 dent under the Robert T. Stafford Disaster
17 Relief and Emergency Assistance Act” ;
18 and

19 (ii) by inserting “major” before “dis-
20 aster, any amounts”;

21 (B) in subparagraph (C), by inserting
22 “major” before “disaster”; and

23 (C) in subparagraph (F), by inserting
24 “major” before “disaster”;

1 (4) in section 122 (42 U.S.C. 5321)), by strik-
2 ing “disaster under title IV of the Robert T. Staf-
3 ford Disaster Relief and Emergency Assistance Act”
4 and inserting “major disaster”; and

5 (5) by adding at the end the following new sec-
6 tions:

7 **“SEC. 123. CDBG-DISASTER RECOVERY ASSISTANCE.**

8 “(a) AUTHORITY; USE.—

9 “(1) IN GENERAL.—The Secretary may provide
10 assistance under this section to States, including
11 Puerto Rico, units of general local government, and
12 Indian tribes for necessary expenses for activities
13 authorized under this title related to disaster relief,
14 resiliency, long-term recovery, restoration of infra-
15 structure and housing, mitigation, and economic re-
16 vitalization in the most impacted and distressed
17 areas (as such term shall be defined by the Sec-
18 retary by regulation) resulting from a major disaster
19 declared pursuant to the Robert T. Stafford Dis-
20 aster Relief and Emergency Assistance Act (42
21 U.S.C. 5121 et seq.).

22 “(2) AUTHORIZATION OF APPROPRIATIONS.—
23 For purposes of assistance under this section, there
24 are authorized to be appropriated and made avail-
25 able in the Community Development Block Grant

1 Declared Disaster Recovery Fund established under
2 section 124, such sums as are necessary to respond
3 to current or future disasters, which shall remain
4 available until expended.

5 “(b) ALLOCATION; COORDINATION.—

6 “(1) ALLOCATION AMOUNTS.—The Secretary
7 shall annually establish and publish on its website
8 an unmet needs threshold for most impacted and
9 distressed areas resulting from a major disaster that
10 shall result in a grant under this section. In deter-
11 mining the amount allocated under this section for
12 any grantee, the Secretary shall make allocations
13 based on the best available data on unmet recover
14 needs and include an additional amount, as deter-
15 mined by the Secretary, for mitigation, based on the
16 best available research, the type of disaster, and
17 such amounts awarded for mitigation for similar
18 types of disasters in prior years. Such data may in-
19 clude information from the Federal Emergency Man-
20 agement Agency, the Small business Administration,
21 and any other relevant Federal, State, or local agen-
22 cy, and data from the Bureau of the Census to as-
23 sess the unmet needs of both homeowners and rent-
24 ers. .

1 “(2) DEADLINES FOR ALLOCATION.—Except as
2 provided in paragraph (3), for any major disaster
3 meeting the most impacted and distressed unmet
4 need threshold requirements in paragraph (1), the
5 Secretary shall allocate funds available to a grantee
6 for assistance under this section within 60 days of
7 the date of a major disaster declaration or 60 days
8 from when sufficient funds become available to make
9 the allocation.

10 “(3) INAPPLICABILITY OF DEADLINES BASED
11 ON INSUFFICIENT INFORMATION.—The deadlines
12 under paragraph (2) for allocation of funds shall not
13 apply in the case of funds made available for assist-
14 ance under this section if Federal Emergency Man-
15 agement Agency has not made sufficient information
16 available to the Secretary regarding relevant unmet
17 recovery needs to make allocations in accordance
18 with such deadlines. The Secretary shall notify the
19 Congress of progress on or delay in receiving the
20 necessary information within 60 days following dec-
21 laration of such a major disaster and monthly there-
22 after until all necessary information is received.

23 “(4) OBLIGATION OF AMOUNTS BY THE SEC-
24 RETARY.—Subject to subsection (c)(1), the Sec-
25 retary shall provide for the disbursement of the

1 amounts allocated for a grantee, but shall require
2 the grantee to be in substantial compliance with the
3 requirements of this section before each such dis-
4bursement.

5 “(5) COORDINATION OF DISASTER BENEFITS
6 AND DATA WITH OTHER FEDERAL AGENCIES.—

7 “(A) COORDINATION OF DATA.—The Sec-
8retary shall coordinate with other agencies to
9obtain data on recovery needs, including the
10Administrator of the Federal Emergency Man-
11agement Agency and the Administrator of the
12Small Business Administration, and other agen-
13cies when necessary regarding disaster benefits.

14 “(B) COORDINATION WITH FEMA.—The
15Secretary shall share with the Administrator of
16the Federal Emergency Management Agency,
17and make publicly available (with such
18redactions necessary to protect personally iden-
19tifiable information), all data collected, pos-
20sessed, or analyzed during the course of a dis-
21aster recovery for which assistance is provided
22under this section. Notwithstanding section
23552a of title 5, U.S.C., or any other law, the
24Secretary may make data transfers pertaining
25to grants under this section with the FEMA

1 Administrator, grantees, and academic and re-
2 search institutions described in section
3 123(1)(3), which transfers may disclose infor-
4 mation about an individual without the individ-
5 ual's written consent, including the use and re-
6 tention of this data for computer matching pro-
7 grams to assess disaster recovery needs and to
8 prevent the duplication of benefits and other
9 waste, fraud, and abuse; provided, that the Sec-
10 retary shall enter a data sharing agreement be-
11 fore sharing or receiving any information under
12 transfers authorized by this section. The data
13 sharing agreements must, in the determination
14 of the Secretary, include measures adequate to
15 safeguard the privacy and personally identifying
16 information of individuals. The data the Sec-
17 retary shares with the Administrator shall in-
18 clude—

19 “(i) all data on damage caused by the
20 disaster;

21 “(ii) information on how any Federal
22 assistance provided in connection with the
23 disaster is expended; and

24 “(iii) information regarding the effect
25 of the disaster on education, transportation

1 capabilities and dependence, housing
2 needs, health care capacity, and displace-
3 ment of persons.

4 “(C) REQUIREMENTS REGARDING ELIGI-
5 BILITY FOR DIRECT ASSISTANCE AND DUPLICA-
6 TION OF BENEFITS.—

7 “(i) COMPLIANCE.—Funds made
8 available under this subsection shall be
9 used in accordance with section 312 of the
10 Robert T. Stafford Disaster Relief and
11 Emergency Assistance Act (42 U.S.C.
12 5155), as amended by section 1210 of the
13 Disaster Recovery Reform Act of 2018 (di-
14 vision D, Public Law 115–254), and such
15 rules as may be prescribed under such sec-
16 tion.

17 “(ii) PRIORITY.—Households having
18 the lowest incomes shall be prioritized for
19 direct assistance under this subsection
20 until all unmet needs are satisfied for fam-
21 ilies having an income up to 120 percent
22 of the median for the area.

23 “(D) TREATMENT OF DUPLICATIVE BENE-
24 FITS.—In any case in which a grantee provides
25 assistance that duplicates benefits available to a

1 person for the same purpose from another
2 source, the grantee itself shall either (i) be sub-
3 ject to remedies for noncompliance under sec-
4 tion 111, or (ii) bear responsibility for absorb-
5 ing such cost of duplicative benefits and return-
6 ing an amount equal to any duplicative benefits
7 paid to the grantee's funds available for use
8 under this section or to the Community Devel-
9 opment Block Grant Declared Disaster Recov-
10 ery Fund under section 124, unless the Sec-
11 retary issues a public determination by publica-
12 tion in the Federal Register that it is not in the
13 best interest of the Federal Government to pur-
14 sue such remedies based on hardships identified
15 in subparagraph (E) or other reasons.

16 “(E) WAIVER OF RECOUPMENT.—A grant-
17 ee of assistance from funds made available for
18 use under this section may request a waiver
19 from the Secretary of any recoupment by the
20 Secretary of such funds for amounts owed by
21 persons who have received such assistance from
22 such funds and who have been defrauded, or
23 after receiving assistance, have filed for bank-
24 ruptcy, gone through a foreclosure procedure on
25 property that received such assistance, or are

1 deceased. If the grantee self-certifies to the Sec-
2 retary in such request that it has verified that
3 the individual conditions of each person it is re-
4 questing a waiver for meets one of the condi-
5 tions specified in the preceding sentence, the
6 Secretary may grant such waivers on the basis
7 of grantee self-certification, issue a public de-
8 termination by publication in the Federal Reg-
9 ister that it is not in the best interest of the
10 Federal Government to pursue such
11 recoupment, and may conduct oversight to
12 verify grantee self-certification and subject the
13 grantee to remedies for noncompliance for any
14 amounts that have not met such requirements

15 “(F) PROTECTION OF PERSONALLY IDEN-
16 TIFIABLE INFORMATION.—In carrying out this
17 paragraph, the Secretary and the grantee shall
18 take such actions as may be necessary to ensure
19 that personally identifiable information regard-
20 ing recipients of assistance provided from funds
21 made available under this section is not made
22 publicly available by the Department of Hous-
23 ing and Urban Development or any agency with
24 which information is shared pursuant to this
25 paragraph.

1 “(c) PLAN FOR USE OF ASSISTANCE.—

2 “(1) REQUIREMENT.—Not later than 90 days
3 after the allocation pursuant to subsection (b)(1) of
4 all of the funds made available by an appropriations
5 Act for assistance under this section and before the
6 Secretary obligates any of such funds for a grantee,
7 the grantee shall submit a plan to the Secretary for
8 approval detailing the proposed use of all funds,
9 which shall include, at a minimum—

10 “(A) criteria for eligibility for each pro-
11 posed use of funds, including eligibility limits
12 on income and geography, and a description of
13 how each proposed use of such funds will com-
14 ply with all civil rights and fair housing laws
15 and will address disaster relief, resiliency, long-
16 term recovery, restoration of infrastructure and
17 housing, hazard mitigation, and economic revi-
18 talization in the most impacted and distressed
19 areas, including, as appropriate, assistance for
20 the benefit of impacted households experiencing
21 homelessness as defined by section 103 of the
22 McKinney-Vento Homeless Assistance Act (42
23 U.S.C. 11302) or at risk of homelessness as de-
24 fined by section 401 of such Act (42 U.S.C.
25 11360);

1 “(B) an agreement to share data,
2 disaggregated by the smallest census tract,
3 block group, or block possible for the data set,
4 with Federal agencies and other providers of
5 disaster relief, which shall include information
6 the grantee has regarding the matters described
7 in subsection (b)(4)(B);

8 “(C) identification of officials and offices
9 responsible for administering such funds and
10 processes and procedures for identifying and re-
11 covering duplicate benefits;

12 “(D) for grantees other than Indian tribes,
13 a plan for compliance with the Fair Housing
14 Act, which may include, at the election of the
15 grantee, providing for partnerships with local
16 fair housing organizations and funding set-aside
17 for local fair housing organizations to handle
18 complaints relating to assistance with amounts
19 made available for use under this section; and

20 “(E)) a plan to provide for the funding
21 and delivery of—

22 “(i) case management services to as-
23 sist disaster-impacted residents in identi-
24 fying, understanding, and accessing avail-
25 able assistance; and

1 “(ii) housing counseling services
2 through housing counseling agencies ap-
3 proved by the Secretary to assist disaster-
4 impacted residents with mortgage assist-
5 ance, housing affordability, homeowner-
6 ship, tenancy, avoiding foreclosure and
7 eviction, and other housing counseling top-
8 ics;“(F) a plan for addressing displacement
9 or relocation caused by activities performed
10 pursuant to this section

11 such a plan shall set forth how housing coun-
12 seling services will be delivered in coordination
13 with case management services; and

14 “(F)) a plan for addressing displacement
15 or relocation caused by activities performed
16 pursuant to this section.

17 “(2) IMPLEMENTATION FUNDING.—To speed
18 recovery, the Secretary may award a portion of a
19 grant for implementation purposes under this sec-
20 tion at the time the Secretary announces the alloca-
21 tion of funds and before the Secretary has issued
22 pre-grant certifications and the grantee has made
23 required submissions to the Secretary, and with the
24 following conditions:

1 “(A) Implementation funding under this
2 paragraph shall not exceed 10 percent of the
3 grant awarded under subsection (a).

4 “(B) Implementation funding shall be lim-
5 ited to eligible activities that, in the determina-
6 tion of the Secretary, will support faster recov-
7 ery, improve the grantee’s ability to assess
8 unmet recovery needs, plan for the prevention
9 of improper payments, and reduce fraud, waste,
10 and abuse.

11 “(C) Awards under this subsection shall
12 not be subject to the substantial compliance de-
13 termination under subsection (b)(4).

14 “(3) APPROVAL.—

15 “(A) IN GENERAL.—The Secretary shall,
16 by regulation, specify criteria for approval of
17 plans under paragraph (1), including approval
18 of substantial amendments to such plans.

19 “(B) PARTIAL APPROVAL.—The Secretary
20 may approve a plan addressing the use of funds
21 for unmet recovery needs under paragraph (1)
22 before approving a plan addressing the use of
23 funds for mitigation.

1 “(4) DISAPPROVAL.—The Secretary shall dis-
2 approve a plan or substantial amendment to a plan
3 if—

4 “(A) the plan or substantial amendment
5 does not meet the approval criteria;

6 “(B) based on damage and unmet needs
7 assessments of the Secretary and the Federal
8 Emergency Management Administration or
9 such other information as may be available, the
10 plan or substantial amendment describing ac-
11 tivities to address unmet recovery needs does
12 not provide an allocation of resources that is
13 reasonably proportional to unmet need —

14 “(i) between infrastructure and hous-
15 ing activities; and

16 “(ii) between homeowners, renters,
17 and persons experiencing homelessness;

18 “(C) unless the plan is submitted by an In-
19 dian tribe, the plan or amendment does not pro-
20 vide an adequate plan for ensuring that funding
21 provided under this section is used in compli-
22 ance with the Fair Housing Act;

23 “(D) the plan or substantial amendment
24 does not adequately address, as determined by
25 the Secretary in regulation, the unmet needs for

1 replacement or rehabilitation of certain dis-
2 aster-damaged housing units, with cost adjust-
3 ment where appropriate, including damaged
4 dwelling units in public housing, as such term
5 is defined in section 3(b) of the United States
6 Housing Act of 1937 (42 U.S.C. 1437a(b)),
7 projects receiving tax credits pursuant to sec-
8 tion 42 of the Internal Revenue Code of 1986,
9 or for projects assisted under section 8 of the
10 Housing Act of 1937 (42 U.S.C. 1437f), under
11 section 202 of the Housing Act of 1959 (12
12 U.S.C. 1701q), under section 811 of the Cran-
13 ston-Gonzalez National Affordable Housing Act
14 (42 U.S.C. 8013), under the HOME Invest-
15 ment Partnerships Act (42 U.S.C. 12721 et
16 seq.), under the community development block
17 grant program under this title, or by the Hous-
18 ing Trust Fund under section 1338 of the Fed-
19 eral Housing Enterprises Financial Safety and
20 Soundness Act of 1992 (12 U.S.C. 4568) or
21 any low and moderate income dwelling units de-
22 molished or converted to a use other than for
23 housing for low and moderate income persons,
24 as defined in section 104(d) of this Act (42
25 U.S.C. 5304(d));

1 “(E) the plan or substantial amendment
2 does not use a percentage of the grant, as de-
3 termined by the Secretary in regulation, for ac-
4 quisition, rehabilitation, reconstruction, or other
5 activities permitted by the Secretary to provide
6 affordable rental housing to benefit persons of
7 low and moderate income, which rental housing
8 will, upon completion, be occupied by such per-
9 sons; or

10 “(F) the plan or substantial amendment
11 does not provide a process to provide appli-
12 cants—

13 “(i) notice by grantee of applicant’s
14 right to administrative appeal of any ad-
15 verse action on the applicant’s application;
16 and

17 “(ii) right to full discovery of appli-
18 cant’s entire application file.

19 “(5) PUBLIC CONSULTATION.—In developing
20 the plan required under paragraph (1), a grantee
21 shall, at a minimum—

22 “(A) consult with affected residents, stake-
23 holders, local governments, and public housing
24 authorities to assess needs;

1 “(B) publish the plan in accordance with
2 the requirements set forth by the Secretary, in-
3 cluding a requirement to prominently post the
4 plan on the website of the grantee for not less
5 than 14 days;

6 “(C) ensure equal access for individuals
7 with disabilities and individuals with limited
8 English proficiency; and

9 “(D) publish the plan in a manner that af-
10 fords citizens, affected local governments, and
11 other interested parties a reasonable oppor-
12 tunity to examine the contents of the plan and
13 provide feedback.

14 “(6) RESUBMISSION.—The Secretary shall per-
15 mit a grantee to revise and resubmit a disapproved
16 plan or plan amendment.

17 “(7) TIMING.—

18 “(A) IN GENERAL.—The Secretary shall
19 approve or disapprove a plan not later than 60
20 days after submission of the plan to the Sec-
21 retary. The Secretary shall immediately notify
22 the State, unit of general local government, or
23 Indian tribe that submitted the plan or sub-
24 stantial amendment of the Secretary’s decision.

1 “(B) DISAPPROVAL.—If the Secretary dis-
2 approves a plan or a substantial amendment,
3 not later than 15 days after such disapproval
4 the Secretary shall inform the State, unit of
5 general local government, or Indian tribe in
6 writing of (i) the reasons for disapproval, and
7 (ii) actions that the State, unit of general local
8 government, or Indian tribe could take to meet
9 the criteria for approval.

10 “(C) SUBSTANTIAL AMENDMENTS; RESUB-
11 MISSION.—The Secretary shall, for a period of
12 not less than 45 days following the date of dis-
13 approval, permit the revision and resubmission
14 of any plan or substantial amendment that is
15 disapproved. The Secretary shall approve or
16 disapprove a resubmission of any plan or sub-
17 stantial amendment not less than 30 days after
18 receipt of such substantial amendments or re-
19 submission.

20 “(D) GRANT AGREEMENTS.—Subject to
21 subsection (b)(3), the Secretary shall ensure
22 that all grant agreements necessary for prompt
23 disbursement of funds allocated to a grantee
24 are signed by the Secretary within 60 days of

1 approval of grantee’s plan describing the use of
2 such funds.

3 “(d) FINANCIAL CONTROLS.—

4 “(1) COMPLIANCE SYSTEM.—The Secretary
5 shall develop and maintain a system to ensure that
6 each grantee has and will maintain for the life of the
7 grant—

8 “(A) proficient financial controls and pro-
9 curement processes;

10 “(B) adequate procedures to ensure that
11 eligible applicants are approved for assistance
12 with amounts made available for use under this
13 section and that recipients are provided the full
14 amount of assistance for which they are eligible,
15 subject to funding availability;

16 “(C) adequate procedures to prevent any
17 duplication of benefits, as defined by section
18 312 of the Robert T. Stafford Disaster Relief
19 and Emergency Assistance Act (42 U.S.C.
20 5155), to ensure timely expenditure of funds,
21 and to detect and prevent waste, fraud, and
22 abuse of funds; and

23 “(D) adequate procedures to ensure the
24 grantee will maintain comprehensive and pub-
25 licly accessible websites that make available in-

1 formation regarding all disaster recovery activi-
2 ties assisted with such funds, which information
3 shall include common reporting criteria estab-
4 lished by the Secretary that permits individuals
5 and entities awaiting assistance and the general
6 public to see how all grant funds are used, in-
7 cluding copies of all relevant, unredacted pro-
8 curement documents, grantee administrative
9 contracts and details of ongoing procurement
10 processes, as determined by the Secretary.

11 “(2) EVALUATION OF COMPLIANCE.—The Sec-
12 retary shall provide, by regulation or guideline, a
13 method for qualitatively and quantitatively evalu-
14 ating compliance with the requirements under para-
15 graph (1).

16 “(3) CERTIFICATION.—Before making a grant,
17 the Secretary shall certify in advance that the grant-
18 ee has in place the processes and procedures re-
19 quired under subparagraphs (A) through (D) of
20 paragraph (1), as determined by the Secretary. No
21 additional certification is necessary if the Secretary
22 has recently certified that the grantee has the re-
23 quired processes and procedures. The Secretary may
24 permit a State, unit of general local government, or
25 Indian tribe to demonstrate compliance with require-

1 ments for adequate financial controls before disas-
2 ters occur and before receiving an allocation for a
3 grant under this section.

4 “(e) USE OF FUNDS.—

5 “(1) ADMINISTRATIVE COSTS.—

6 “(A) IN GENERAL.—The Secretary shall
7 establish by regulation the maximum grant
8 amounts a State, unit of general local govern-
9 ment, or Indian tribe may use for administra-
10 tive costs, and for technical assistance and
11 planning activities, taking into consideration
12 size of grant, complexity of recovery, and other
13 factors as determined by the Secretary.
14 Amounts available for administrative costs for a
15 grant under this section shall be available for
16 eligible administrative costs of the grantee for
17 any grant made under this section, without re-
18 gard to a particular disaster.

19 “(B) DISCRETION TO ESTABLISH SLIDING
20 SCALE.—The Secretary may establish a series
21 of percentage limitations on the amount of
22 grant funds received that may be used by a
23 grantee for administrative costs, but only if—

1 “(i) such percentage limitations are
2 based on the amount of grant funds re-
3 ceived by a grantee;

4 “(ii) such series provides that the per-
5 centage that may be so used is lower for
6 grantees receiving a greater amount of
7 grant funds and such percentage that may
8 be so used is higher for grantees receiving
9 a lesser amount of grant funds; and

10 “(iii) in no case may a grantee so use
11 more than 10 percent of grant funds re-
12 ceived.

13 “(2) LIMITATIONS ON USE.—Amounts from a
14 grant under this section may not be used for activi-
15 ties—

16 “(A) that are reimbursable, or for which
17 funds are made available, by the Federal Emer-
18 gency Management Agency, including under the
19 Robert T. Stafford Disaster Relief and Emer-
20 gency Assistance Act or the National Flood In-
21 surance Program; or

22 “(B) for which funds are made available
23 by the Army Corps of Engineers.

24 “(3) HUD ADMINISTRATIVE COSTS.—

1 “(A) LIMITATION.—Of any funds made
2 available to the Community Development Block
3 Grant Declared Disaster Recovery Fund estab-
4 lished under section 124 or otherwise made
5 available for use under this section by any sin-
6 gle appropriations Act, the Secretary may use 1
7 percent of any such amount for necessary costs,
8 including information technology costs, of ad-
9 ministering and overseeing the obligation and
10 expenditure of amounts made available for use
11 under this section.

12 “(B) TRANSFER OF FUNDS.—Any amounts
13 made available for use in accordance with sub-
14 paragraph (A)—

15 “(i) shall be transferred to the appro-
16 priate salaries and expenses account in the
17 Community Development Block Grant De-
18 clared Disaster Recovery Fund established
19 under section 124 for use by the Office of
20 Disaster Recovery and Resilient Commu-
21 nities;

22 “(ii) shall remain available until ex-
23 pended; and

24 “(iii) may be used for administering
25 any funds appropriated for the same pur-

1 poses described in section 123(a) to the
2 Community Development fund or Commu-
3 nity Development Block Grant Declared
4 Disaster Recovery Fund established under
5 section 124 in any prior or future Act, not-
6 withstanding the disaster for which such
7 funds were appropriated.

8 “(4) INSPECTOR GENERAL.—Of any funds
9 made available for use in accordance with paragraph
10 (3)(A), 15 percent shall be transferred to the Office
11 of the Inspector General for necessary costs of au-
12 dits, reviews, oversight, evaluation, and investiga-
13 tions relating to amounts made available for use
14 under this section.

15 “(5) CAPACITY BUILDING.—Of any funds made
16 available for use under this section, not more than
17 0.1 percent or \$15,000,000, whichever is less, shall
18 be made available to the Secretary for capacity
19 building and technical assistance, including assist-
20 ance regarding contracting and procurement proc-
21 esses, to support grantees and subgrantees receiving
22 funds under this section.

23 “(6) MITIGATION PLANNING.—

24 “(A) REQUIREMENT.—The Secretary shall
25 require each grantee to use a fixed percentage

1 of any allocation for mitigation for comprehen-
2 sive mitigation planning, subject to the limita-
3 tions on funds in paragraph (2).

4 “(B) AMOUNT.—The Secretary may estab-
5 lish such fixed percentage by regulation and
6 may establish a lower percentage for grantees
7 receiving a grant exceeding \$1,000,000,000.

8 “(C) COORDINATION.—Each grantee shall
9 ensure that such comprehensive mitigation
10 planning is coordinated and aligned with exist-
11 ing comprehensive, land use, transportation,
12 and economic development plans, and specifi-
13 cally analyze multiple types of hazard exposures
14 and risks. Each grantee shall coordinate and
15 align such mitigation planning with other miti-
16 gation projects funded by the Federal Emer-
17 gency Management Agency, the Army Corps of
18 Engineers, the Forest Service, and other agen-
19 cies as appropriate.

20 “(D) USE OF FUNDS.—Such funds may be
21 used for the purchase of data and development
22 or updating of risk mapping for all relevant
23 hazards.

24 “(E) PRIORITY.—Grantees shall prioritize
25 the expenditure of grant funds to support haz-

1 ard mitigation and resiliency funds for activities
2 primarily benefitting persons of low and mod-
3 erate income with the greatest risk of harm
4 from natural hazards.

5 “(7) BUILDING SAFETY.—

6 “(A) IN GENERAL.—In consultation with
7 the Administrator of the Federal Emergency
8 Management Agency, the Secretary shall pro-
9 vide that no funds made available under this
10 section shall be used for installation, substantial
11 rehabilitation, reconstruction, or new construc-
12 tion of infrastructure or residential, commercial,
13 or public buildings in hazard-prone areas, un-
14 less construction complies with paragraph (8)
15 and with the latest published editions of rel-
16 evant national consensus-based codes, and spec-
17 ifications and standards referenced therein, ex-
18 cept that nothing in this section shall be con-
19 strued to prohibit a grantee from requiring
20 higher standards.

21 “(B) SAVINGS PROVISION.—Nothing in
22 subparagraph (A) shall be construed as a re-
23 quirement for a grantee to adopt the latest pub-
24 lished editions of relevant national consensus-
25 based codes, specifications, and standards.

1 “(C) COMPLIANCE.—Compliance with this
2 paragraph may be certified by a suitable design
3 professional.

4 “(D) DEFINITIONS.—For purposes of this
5 paragraph, the following definitions shall apply:

6 “(i) HAZARD-PRONE AREAS.—The
7 term ‘hazard-prone areas’ means areas
8 identified by the Secretary, in consultation
9 with the Administrator, at risk from nat-
10 ural hazards that threaten property dam-
11 age or health, safety, and welfare, such as
12 floods (including special flood hazard
13 areas), wildfires (including Wildland-Urban
14 Interface areas), earthquakes, tornados,
15 and high winds. The Secretary may con-
16 sider future risks and the likelihood such
17 risks may pose to protecting property and
18 health, safety, and general welfare when
19 making the determination of or modifica-
20 tion to hazard-prone areas.

21 “(ii) LATEST PUBLISHED EDITIONS.—
22 The term ‘latest published editions’ means,
23 with respect to relevant national con-
24 sensus-based codes, and specifications and
25 standards referenced therein, the two most

1 recent published editions, including, if any,
2 amendments made by States, units of gen-
3 eral local government, or Indian tribes dur-
4 ing the adoption process, that incorporate
5 the latest natural hazard-resistant designs
6 and establish criteria for the design, con-
7 struction, and maintenance of structures
8 and facilities that may be eligible for as-
9 sistance under this section for the purposes
10 of protecting the health, safety, and gen-
11 eral welfare of a structure’s or facility’s
12 users against disasters.

13 “(8) FLOOD RISK MITIGATION.—

14 “(A) REQUIREMENTS.—Subject to sub-
15 paragraph (B), the Secretary shall require that
16 any structure that is located in an area having
17 special flood hazards and that is newly con-
18 structed, for which substantial damage is re-
19 paired, or that is substantially improved, using
20 amounts made available under this section,
21 shall be elevated with the lowest floor, including
22 the basement, at least two feet above the base
23 flood level, or to a future flood protection
24 standard that provides equivalent protection
25 and is developed in conjunction with the Admin-

1 istrator of the Federal Emergency Management
2 Agency, except that critical facilities, including
3 hospitals, nursing homes, and other public fa-
4 cilities providing social and economic lifelines,
5 as defined by the Secretary, shall be elevated at
6 least 3 feet above the base flood elevation (or
7 higher if required under paragraph (7)).

8 “(B) ALTERNATIVE MITIGATION.—In the
9 case of existing structures consisting of multi-
10 family housing and row houses, and other
11 structures, as determined by the Secretary, the
12 Secretary shall seek consultation with the Ad-
13 ministrator of the Federal Emergency Manage-
14 ment Agency, shall provide for alternative forms
15 of mitigation (apart from elevation), and shall
16 exempt from the requirement under subpara-
17 graph (A) any such structure that meets the
18 standards for such an alternative form of miti-
19 gation.

20 “(C) DEFINITIONS.—For purposes of sub-
21 paragraph (A), the terms ‘area having special
22 flood hazards’, ‘newly constructed’, ‘substantial
23 damage’, ‘substantial improvement’, and ‘base
24 flood level’ have the same meanings as under
25 the Flood Disaster Protection Act of 1973 and

1 the National Flood Insurance Act of 1968 (42
2 U.S.C. 4001 et seq.).

3 “(f) ADMINISTRATION.—In administering any
4 amounts made available for assistance under this section,
5 the Secretary—

6 “(1) may not allow a grantee to use any such
7 amounts for any purpose other than the purpose ap-
8 proved by the Secretary in the plan or amended plan
9 submitted under subsection (c) to the Secretary for
10 use of such amounts; and

11 “(2) shall prohibit a grantee from delegating,
12 by contract or otherwise, the responsibility for inher-
13 ent government functions.

14 “(g) TRAINING FOR GRANT MANAGEMENT FOR SUB-
15 GRANTEES.—The Secretary shall require each grantee to
16 provide ongoing training to all staff and subgrantees.

17 “(h) PROCUREMENT PROCESSES AND PROCEDURES
18 FOR GRANTEES.—

19 “(1) GRANTEE PROCESSES AND PROCE-
20 DURES.—In procuring property or services to be
21 paid for in whole or in part with amounts from a
22 grant under this section, a grantee shall—

23 “(A) follow its own procurement processes
24 and procedures, but only if the Secretary makes
25 a determination that such processes and proce-

1 dures comply with the requirements under
2 paragraph (2); or

3 “(B) comply with such processes and pro-
4 cedures as the Secretary shall, by regulation,
5 establish for purposes of this section.

6 “(2) REQUIREMENTS.—The requirements under
7 this paragraph with respect to such processes and
8 procedures shall—

9 “(A) provide for full and open competition
10 and compliance with applicable statutory re-
11 quirements on the use of Federal funds, and re-
12 quire cost or price analysis;

13 “(B) include requirements for procurement
14 policies and procedures for subgrantees;

15 “(C) specify methods of procurement and
16 their applicability, but not allow cost-plus-a-per-
17 centage-of cost or percentage-of-construction-
18 cost methods of procurement;

19 “(D) include standards of conduct gov-
20 erning employees engaged in the award or ad-
21 ministration of contracts; and

22 “(E) ensure that all purchase orders and
23 contracts include any clauses required by Fed-
24 eral statute, Executive order, or implementing
25 regulation.

1 “(i) TREATMENT OF CDBG ALLOCATIONS.—
2 Amounts made available for use under this section shall
3 not be considered relevant to the non-disaster formula al-
4 locations made pursuant to section 106 of this title (42
5 U.S.C. 5306).

6 “(j) WAIVERS.—

7 “(1) AUTHORITY.—Subject to the other provi-
8 sions of this section, in administering amounts made
9 available for use under this section, the Secretary
10 may waive, or specify alternative requirements for,
11 any provision of any statute or regulation that the
12 Secretary administers in connection with the obliga-
13 tion by the Secretary or the use by the recipient of
14 such funds (except for requirements related to fair
15 housing, nondiscrimination, labor standards, and the
16 environment and except for the requirements of this
17 section), if the Secretary makes a public finding that
18 good cause exists for the waiver or alternative re-
19 quirement and such waiver or alternative require-
20 ment would not be inconsistent with the overall pur-
21 poses of this title.

22 “(2) NOTICE AND PUBLICATION.—Any waiver
23 of or alternative requirement pursuant to paragraph
24 (1) shall not take effect before the expiration of the
25 5-day period beginning upon the publication of no-

1 tice in the Federal Register of such waiver or alter-
2 native requirement.

3 “(3) APPLICABLE REQUIREMENTS AND BEN-
4 EFIT TO LOW- AND MODERATE-INCOME PERSONS.—

5 “(A) IN GENERAL.—The requirements in
6 this Act that apply to grants made under sec-
7 tion 106 of this title (except those related to the
8 allocation) apply equally to grants under this
9 section unless modified by a waiver or alter-
10 native requirement pursuant to paragraph (1).

11 “(B) LIMITATION.—Notwithstanding sub-
12 paragraph (A), the Secretary may not grant a
13 waiver or alternative requirement to reduce the
14 percentage of funds that must be used for ac-
15 tivities that benefit persons of low and mod-
16 erate income to less than 70 percent, unless the
17 Secretary specifically finds that there is compel-
18 ling need to further reduce the percentage re-
19 quirement and that funds are not necessary to
20 address the housing needs of low- and mod-
21 erate-income residents.

22 “(4) PROHIBITION.—The Secretary may not
23 use the authority under paragraph (1) to waive any
24 provision of this section.

25 “(k) ENVIRONMENTAL REVIEW.—

1 “(1) ADOPTION.—Notwithstanding subsection
2 (j)(1), recipients of funds provided under this section
3 that use such funds to supplement Federal assist-
4 ance provided under section 402, 403, 404, 406,
5 407, 408(c)(4), 428, or 502 of the Robert T. Staf-
6 ford Disaster Relief and Emergency Assistance Act
7 (42 U.S.C. 5121 et seq.) may adopt, without review
8 or public comment, any environmental review, ap-
9 proval, or permit performed by a Federal agency,
10 and such adoption shall satisfy the responsibilities of
11 the recipient with respect to such environmental re-
12 view, approval, or permit under section 104(g)(1) of
13 this title (42 U.S.C. 5304(g)(1)).

14 “(2) RELEASE OF FUNDS.—Notwithstanding
15 section 104(g)(2) of this title (42 U.S.C.
16 5304(g)(2)), the Secretary may, upon receipt of a
17 request for release of funds and certification, imme-
18 diately approve the release of funds for an activity
19 or project assisted with amounts made available for
20 use under this section if the recipient has adopted
21 an environmental review, approval or permit under
22 paragraph (1) or the activity or project is categori-
23 cally excluded from review under the National Envi-
24 ronmental Policy Act of 1969 (42 U.S.C. 4321 et
25 seq.).

1 “(3) STATE ACTIONS.—The requirements of
2 section 104(g)(4) shall apply to assistance under
3 this section that a State distributes to a unit of gen-
4 eral local government.

5 “(1) COLLECTION OF INFORMATION; AUDITS AND
6 OVERSIGHT.—

7 “(1) COLLECTION OF INFORMATION.—For each
8 major disaster for which assistance is made available
9 under this section, the Secretary shall collect infor-
10 mation from grantees regarding all recovery activi-
11 ties so assisted, including information on applicants
12 and recipients of assistance, and shall make such in-
13 formation available to the public and to the Inspec-
14 tor General for the Department of Housing and
15 Urban Development on a monthly basis using uni-
16 form data collection practices, and shall provide a
17 quarterly update to the Congress regarding compli-
18 ance with this section. Information collected and re-
19 ported by grantees and the Secretary shall be
20 disaggregated by program, race, income, geography,
21 and all protected classes of individuals under the
22 Americans with Disabilities Act of 1990, the Fair
23 Housing Act, the Civil Rights Act of 1964, and
24 other civil rights and nondiscrimination protections,

1 with respect to the smallest census tract, block
2 group, or block possible for the data set.

3 “(2) AVAILABILITY OF INFORMATION.—In car-
4 rying out this paragraph, the Secretary may make
5 full and unredacted information available to aca-
6 demic and research institutions for the purpose of
7 research into the equitable distribution of recovery
8 funds, adherence to civil rights protections, and
9 other areas.

10 “(3) PROTECTION OF INFORMATION.—The Sec-
11 retary shall take such actions and make such
12 redactions as may be necessary to ensure that per-
13 sonally identifiable information regarding recipients
14 of assistance provided from funds made available
15 under this section shall not made publicly available.

16 “(4) AUDITS AND OVERSIGHT.—In conducting
17 audits, reviews, oversight, evaluation, and investiga-
18 tions, in addition to activities designed to prevent
19 and detect waste, fraud, and abuse, the Inspector
20 General shall review activities carried out by grant-
21 ees under this section to ensure such programs fulfill
22 their authorized purposes, as identified in the grant-
23 ee’s action plan.

24 “(m) PLAN PRE-CERTIFICATION FOR STATES AND
25 UNITS OF GENERAL LOCAL GOVERNMENT.—

1 “(1) IN GENERAL.—The Secretary shall carry
2 out a program under this subsection to provide for
3 States and units of general local government to pre-
4 certify as eligible grantees for assistance under this
5 section. The objective of such program shall be to—

6 “(A) allow grantees that have consistently
7 demonstrated the ability to administer funds re-
8 sponsibly and equitably in similar disasters to
9 utilize in subsequent years plans which are sub-
10 stantially similar to those the Department has
11 previously approved; and

12 “(B) facilitate the re-use of a plan or its
13 substantially similar equivalent by a pre-cer-
14 tified grantee for whom the plan has previously
15 been approved and executed upon.

16 “(2) REQUIREMENTS.—To be eligible for pre-
17 certification under the program under this sub-
18 section a State or unit of general local government
19 shall—

20 “(A) demonstrate to the satisfaction of the
21 Secretary compliance with the requirements of
22 this section; and

23 “(B) have previously submitted a plan or
24 its substantially similar equivalent and received
25 assistance thereunder as a grantee or sub-

1 grantee under this section, or with amounts
2 made available for the Community Development
3 Block Grant—Disaster Recovery account, in
4 connection with two or more major disasters de-
5 clared pursuant to the Robert T. Stafford Dis-
6 aster Relief and Emergency Assistance Act (42
7 U.S.C. 5121 et seq.).

8 “(3) APPROVAL OF PLANS.—

9 “(A) EXPEDITED APPROVAL PROCESSES.—
10 The Secretary shall establish and maintain
11 processes for expediting approval of plans for
12 States and units of general local government
13 that are pre-certified under this subsection.

14 “(B) EFFECT OF PRE-CERTIFICATION.—
15 Pre-certification pursuant to this subsection
16 shall not—

17 “(i) establish any entitlement to, or
18 priority or preference for, allocation of
19 funds made available under this section; or

20 “(ii) exempt any grantee from com-
21 plying with any of the requirements under,
22 or established pursuant to, subsection (c)
23 or (d).

24 “(4) DURATION.—Pre-certification under this
25 subsection shall be effective for a term of 5 years.

1 “(n) DEPOSIT OF UNUSED AMOUNTS IN FUND.—

2 “(1) UNMET NEEDS.—If any amounts made
3 available for assistance for unmet needs under this
4 section to grantees remain unexpended upon the ear-
5 lier of—

6 “(A) the date that the grantee of such
7 amounts notifies the Secretary that the grantee
8 has completed all activities identified in the
9 grantee’s plan for use of such amounts that was
10 approved by the Secretary in connection with
11 such grant; or

12 “(B) the expiration of the 6-year period
13 beginning upon the Secretary obligating such
14 amounts to the grantee, as such period may be
15 extended pursuant to paragraph (3);

16 the Secretary may, subject to authority provided in
17 advance by appropriations Acts, transfer such unex-
18 pended amounts to the Secretary of the Treasury for
19 deposit into the Community Development Block
20 Grant Declared Disaster Recovery Fund established
21 under section 124, except that the Secretary may, by
22 regulation, permit the grantee to retain amounts
23 needed to close out the grant.

1 “(2) MITIGATION.—If any amounts made avail-
2 able for assistance for mitigation under this section
3 to grantees remain unexpended upon the earlier of—

4 “(A) the date that the grantee of such
5 amounts notifies the Secretary that the grantee
6 has completed all activities identified in the
7 grantee’s plan for use of such amounts that was
8 approved by the Secretary in connection with
9 such grant; or

10 “(B) the expiration of the 12-year period
11 beginning upon the Secretary obligating such
12 amounts to the grantee, as such period may be
13 extended pursuant to paragraph (3);

14 the Secretary may, subject to authority provided in
15 advance by appropriations Acts, transfer such unex-
16 pended amounts to the Secretary of the Treasury for
17 deposit into the Community Development Block
18 Grant Declared Disaster Recovery Fund established
19 under section 124, except that the Secretary may, by
20 regulation, permit the grantee to retain amounts
21 needed to close out the grant.

22 “(3) EXTENSION OF PERIOD OF PERFORM-
23 ANCE.—

24 “(A) UNMET NEEDS.—

1 “(i) IN GENERAL.—The period of per-
2 formance under paragraph (1)(B) shall be
3 extended by not more than 4 years if, be-
4 fore the expiration of such 6-year period,
5 the Secretary waives this requirement and
6 submits a written justification for such
7 waiver to the Committees on Appropria-
8 tions of the House of Representatives and
9 the Senate that specifies the amended pe-
10 riod of performance under the waiver.

11 “(ii) INSULAR AREAS.—For any
12 amounts made available for unmet needs
13 under this section to a grantee that is an
14 insular area as defined in section 102, the
15 Secretary may extend the period of per-
16 formance under clause (i) by not more
17 than an additional 4 years, and shall pro-
18 vide additional technical assistance to help
19 increase capacity within the insular area
20 receiving such extension. If the Secretary
21 extends the period of performance pursu-
22 ant to this subparagraph, the Secretary
23 shall submit a written justification for such
24 extension to the Committees on Appropria-
25 tions of the House of Representatives and

1 the Senate that specifies the period of such
2 extension.

3 “(B) MITIGATION.—The period under
4 paragraph (2)(B) shall be extended to a date
5 determined by the Secretary if, before the expi-
6 ration of such 12-year period, the Secretary
7 issues a waiver to amend the period of perform-
8 ance and submits a written justification for
9 such waiver to the Committees on Appropria-
10 tions of the House of Representatives and the
11 Senate that specifies the amended period of
12 performance under the waiver.

13 “(o) BEST PRACTICES.—

14 “(1) STUDY.—The Secretary shall identify best
15 practices for grantees on issues including developing
16 the action plan and substantial amendments under
17 subsection (c) and substantive amendments, estab-
18 lishing financial controls, building grantee technical
19 and administrative capacity, procurement, compli-
20 ance with Fair Housing Act statute and regulations,
21 and use of grant funds as local match for other
22 sources of Federal funding. The Secretary shall pub-
23 lish a compilation of such identified best practices
24 and share with all relevant grantees, including
25 States, units of general local government, and In-

1 dian tribes to facilitate a more efficient and effective
2 disaster recovery process. The compilation shall in-
3 clude—

4 “(A) guidelines for housing and economic
5 revitalization programs, including mitigation,
6 with sufficient model language on program de-
7 sign for grantees to incorporate into action
8 plans; and

9 “(B) standards for at least form of appli-
10 cation, determining unmet need, and income eli-
11 gibility.

12 “(2) EXPEDITED REVIEW.—

13 “(A) REQUIREMENTS.—After publication
14 of the final compilation required by paragraph
15 (1), the Secretary shall issue either Federal reg-
16 ulations, as part of the final rule required
17 under section 5403(b) of the National Defense
18 Authorization Act for Fiscal Year 2023 or as a
19 separate rule, or a Federal Register notice solici-
20 ting public comment for at least 60 days, that
21 establishes grant requirements, including the
22 requirements that grantees must follow in order
23 to qualify for expedited review and approval of
24 a plan or substantial amendment required by
25 subsection (c) of this section.

1 “(B) APPROVAL; DISAPPROVAL.—The Sec-
2 retary shall approve or disapprove plans or sub-
3 stantial amendments of grantees that comply
4 with the requirements for such expedited review
5 within 45 days.

6 “(C) STANDARDIZATION.—The require-
7 ments for expedited review shall establish
8 standard language for inclusion in action plans
9 and substantial amendments under subsection
10 (c) of this section and for establishing stand-
11 ardized programs and activities recognized by
12 the Secretary.

13 “(D) APPLICABILITY OF GRANT REQUIRE-
14 MENTS.—Compliance with the requirements for
15 expedited review shall not exempt grantees from
16 complying with grant requirements, including
17 requirements for public comment, community
18 citizen participation, and establishing and main-
19 taining a public website.

20 “(E) REVISION.—The Secretary may re-
21 vise the requirements for expedited review at
22 any time after a public comment period of at
23 least 60 days.

24 “(p) DEFINITIONS.—For purposes of this section:

1 “(1) GRANTEE.—The term ‘grantee’ means a
2 recipient of funds made available under this section
3 after its enactment.

4 “(2) SUBSTANTIALLY SIMILAR.—The term ‘sub-
5 stantially similar’ means, with respect to a plan, a
6 plan previously approved by the Department, admin-
7 istered successfully by the grantee, and relating to
8 disasters of the same type.

9 **“SEC. 124. COMMUNITY DEVELOPMENT BLOCK GRANT DE-**
10 **CLARED DISASTER RECOVERY FUND.**

11 “(a) ESTABLISHMENT.—There is established in the
12 Treasury of the United States an account to be known
13 as the Community Development Block Grant Declared
14 Disaster Recovery Fund (in this section referred to as the
15 ‘Fund’).

16 “(b) AMOUNTS.—The Fund shall consist of any
17 amounts appropriated to or deposited into the Fund, in-
18 cluding amounts deposited into the Fund pursuant to sec-
19 tion 123.

20 “(c) USE.—Amounts in the Fund shall be available,
21 pursuant to the occurrence of a major disaster declared
22 under the Robert T. Stafford Disaster Relief and Emer-
23 gency Assistance Act, only for providing technical assist-
24 ance and capacity building in connection with section 123
25 for grantees under such section that have been allocated

1 assistance under such section in connection with such dis-
2 aster to facilitate planning required under such section
3 and increase capacity to administer assistance provided
4 under such section, including for technical assistance and
5 training building and fire officials, builders, contractors
6 and subcontractors, architects, and other design and con-
7 struction professionals regarding the latest published edi-
8 tions of national consensus-based codes, specifications,
9 and standards (as such term is defined in section
10 123(e)(7)).”.

11 (b) REGULATIONS.—

12 (1) PROPOSED RULE.—Not later than the expi-
13 ration of the 12-month period beginning on the date
14 of the enactment of this Act, the Secretary of Hous-
15 ing and Urban Development shall issue proposed
16 rules to carry out sections 123 and 124 of the Hous-
17 ing and Community Development Act of 1974, as
18 added by the amendment made by subsection (a) of
19 this section, and shall provide a 60-day period for
20 submission of public comments on such proposed
21 rule.

22 (2) FINAL RULE.—Not later than the expira-
23 tion of the 24-month period beginning on the date
24 of the enactment of this Act, the Secretary of Hous-
25 ing and Urban Development shall issue final regula-

1 tions to carry out sections 123 and 124 of the Hous-
2 ing and Community Development Act of 1974, as
3 added by the amendment made by subsection (a) of
4 this section.

